

## Financial Information Regulation, Schedule 1

### Checklist – Statement of Financial Information (SOFI)

#### For the Corporation:

Corporate Name: Town of Creston Contact Name: Steffan Klassen  
 Fiscal Year End: 31 December, 2022 Phone Number: (250) 428-2214 ext.211  
 Date Submitted: \_\_\_\_\_ E-mail: Steffan.Klassen@creston.ca

#### For the Ministry:

Ministry Name: \_\_\_\_\_ Reviewer: \_\_\_\_\_  
 Date Received: \_\_\_\_\_ Deficiencies: 

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Deficiencies Addressed:	Yes	No	<input type="checkbox"/>

  
 Date Reviewed: \_\_\_\_\_ Further Action Taken: \_\_\_\_\_  
 Approved (SFO): \_\_\_\_\_

Distribution: Legislative Library  Ministry Retention

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
<b>General</b>					
1 (1) (a)	Statement of assets and liabilities	Y			
1 (1) (b)	Operational statement	Y			
1 (1) (c)	Schedule of debts	Y			
1 (1) (d)	Schedule of guarantee and indemnity agreements			N/A	
1 (1) (e)	Schedule of employee remuneration and expenses	Y			
1 (1) (f)	Schedule of suppliers of goods and services	Y			
1 (3)	Statements prepared on a consolidated basis or for each fund, as appropriate	Y			Consolidated statements presented for all funds together.
1 (4) 1 (5)	Notes to the financial statements for the statements and schedules listed above	Y			

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
<b>Schedule of Guarantee and Indemnity Agreements</b>					
5 (1)	List financial agreements that required government approval prior to being given (see Guarantees and Indemnities Regulation in FIA Guidance Package)			N/A	
5 (2)	State the entities involved, and the specific amount involved if known			N/A	
5 (3) 5 (4)	<ul style="list-style-type: none"> <li>• The schedule may be omitted if addressed under section 2 or 4 and it provides no additional information</li> <li>• The omission must be explained in a note to the schedule</li> </ul>			N/A	
<b>Schedule of Remuneration and Expenses</b> (See Guidance Package for suggested format)					
6 (2) (a)	List separately, by name and position, the total remuneration and the total expenses for each elected official, member of the board of directors, and employee appointed by Cabinet	Y			
6 (2) (b)	List alphabetically each employee whose total remuneration exceeds \$75,000 and the total expenses for each [excluding the persons listed under 6 (2) (a)]	Y			
6 (2) (c)	Include a consolidated total for employees whose remuneration is \$75,000 or less [excluding the persons listed under 6 (2) (a)]	Y			
6 (2) (d)	Reconcile or explain any difference between total remuneration in this schedule and related information in the operational statement	Y			
6 (3)	Exclude personal information other than name, position, function or remuneration and expenses of employees	Y			

**TOWN OF CRESTON**

**STATEMENT OF FINANCIAL INFORMATION APPROVAL**

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.

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Steffan Klassen CA  
Director of Finance & Corporate Services  
June 13, 2023

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Mayor Arnold DeBoon  
Council Member on behalf of Council  
June 13, 2023

Prepared pursuant to the Financial Information Regulation, Schedule 1, section 9

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# Town of Creston

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**FINANCIAL STATEMENT  
2022**

# TOWN OF CRESTON

## INDEX TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

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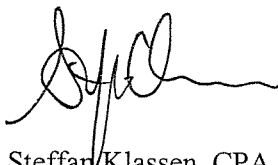
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## MANAGEMENT REPORT

Management is responsible for the preparation of the accompanying consolidated financial statements. The financial statements have been prepared in accordance with the accounting policies disclosed in Note 1 to the consolidated financial statements and include amounts that are based on estimates and judgements. Management believes that the financial statements fairly present the Town of Creston's consolidated financial position and results of operations. The integrity of the information presented in the financial statements, including estimates and judgements relating to matters not concluded by fiscal year-end, is the responsibility of management. The financial statements have been approved by Council.

Management has established and maintained appropriate systems of internal control including policies and procedures, which are designed to provide reasonable assurance that the Town of Creston's assets are safeguarded and that reliable financial records are maintained to form a proper basis for the preparation of the financial statements.

The independent external auditors, Apex Accounting, Chartered Professional Accountants, have been appointed by Council to express an opinion as to whether the consolidated financial statements present fairly, in all material respects, the Town of Creston's financial position, results of operations, and changes in net financial position in conformity with the accounting policies disclosed in Note 1 to the consolidated financial statements. The report of Apex Accounting, Chartered Professional Accounts, follows and outlines the scope of their examination and their opinion on the consolidated financial statements.



Steffan Klassen, CPA, CA  
Director of Finance and Corporate Services

May 9, 2023

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## INDEPENDENT AUDITORS' REPORT

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**To the Mayor and Council  
Town of Creston**

### Opinion

We have audited the accompanying financial statements of the Town of Creston, which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Town as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

### Basis For Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



## **INDEPENDENT AUDITORS' REPORT, continued**

### **Auditors' Responsibilities for the Audit of the Financial Statements, continued**

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements, or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditors' report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**Chartered Professional Accountants**

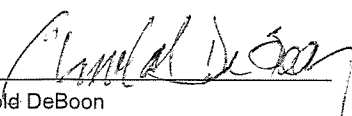
Creston, BC  
May 9, 2023

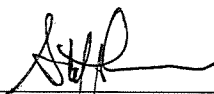


**Town of Creston**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2022**

	2022	2021
<b>Financial Assets</b>		
Cash and investments (Note 2)	\$ 12,273,751	\$ 11,900,433
Accounts receivable (Note 3)	949,829	843,364
MFA deposits (Note 4)	386,509	341,478
Loans receivable (Note 5)	2,038,520	2,092,980
	<u>15,648,609</u>	<u>15,178,255</u>
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities (Note 6)	1,814,325	2,766,695
Deferred revenue (Notes 7 & 8)	1,666,625	1,314,083
Development cost charges (Note 9)	462,056	592,460
Reserve MFA	386,509	341,478
Long-term debt (Note 11)	5,593,500	6,566,512
	<u>9,923,015</u>	<u>11,581,228</u>
<b>Net Financial Assets</b>	5,725,594	3,597,027
<b>Non-financial assets</b>		
Tangible capital assets (Notes 1 & 12, Schedule 1)	50,529,919	48,901,006
Property Purchase Deposit	-	204,103
Supply inventory	659,833	327,652
Prepaid expenses	170,193	130,678
	<u>51,359,945</u>	<u>49,563,439</u>
<b>Accumulated surplus</b>	<u>\$ 57,085,539</u>	<u>\$ 53,160,466</u>
<b>Represented by:</b>		
Operating fund (Schedule 2)	10,854,540	9,562,679
Capital fund (Schedule 2)	1,086,996	1,086,996
Statutory reserve fund (Schedule 2)	207,576	176,289
Equity in tangible capital assets (Note 13)	44,936,427	42,334,502
	<u>\$ 57,085,539</u>	<u>\$ 53,160,466</u>

**The accompanying notes and schedules are an integral part of these financial statements.**

  
 Arnold DeBoon  
 Mayor

  
 Steffan Klassen, CPA, CA  
 Director of Finance and Corporate Services

**Town of Creston**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**for the year ended December 31, 2022**

	2022 Budget	2022	2021
<b>Revenue</b>			
Property Taxes (Note 14)	\$ 5,856,826	\$ 5,860,166	\$ 5,605,053
Grants in Lieu of Taxes	8,020	8,122	9,743
Sale of services (Note 15)	2,843,639	2,265,483	2,002,698
Government transfers (Note 17)	4,344,365	3,668,698	1,795,544
Investment income	135,150	502,287	279,439
Utility user fees and connection charges	3,208,178	3,136,710	3,346,724
Development cost charges / Park Land Purchase (Note 9)	145,500	158,874	-
Other	1,718,753	896,213	586,916
	<u>18,260,431</u>	<u>16,496,553</u>	<u>13,626,117</u>
<b>Expenses</b>			
General government	2,521,812	2,411,914	1,960,798
Municipal contribution for RCMP services	1,283,655	1,166,334	1,153,811
Protective services	1,552,655	1,473,376	1,360,438
Transportation	1,237,174	1,304,746	1,132,187
Health and Welfare	773,028	636,813	419,176
Recreation and Community Services	643,007	642,807	711,653
Water Services	1,166,018	1,068,895	1,117,306
Sewer Services	267,094	257,254	245,146
Waste water treatment plant operation	886,453	983,546	866,965
Debt financing	357,369	395,583	306,098
Bank Charges	4,100	6,339	5,306
Amortization (Note 1, Schedule 1)	2,181,000	2,106,946	2,118,900
Loss from sale/write down of tangible capital assets	-	94,291	7,608
Capital Lease (Note 18)	22,636	22,636	22,636
	<u>12,896,001</u>	<u>12,571,480</u>	<u>11,428,028</u>
<b>Annual surplus</b>	5,364,430	3,925,073	2,198,089
<b>Accumulated surplus at beginning of year</b>	53,160,466	53,160,466	50,962,377
<b>Accumulated surplus at end of year</b>	<u>\$ 58,524,896</u>	<u>\$ 57,085,539</u>	<u>\$ 53,160,466</u>

*Commitments and Contingencies are specified in Note 19*

***The accompanying notes and schedules are an integral part of these financial statements.***

**Town of Creston**  
**CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS**  
**for the year ended December 31, 2022**

	2022 Budget	2022	2021
<b>Annual surplus</b>	\$ 5,364,430	\$ 3,925,073	\$ 2,198,089
Acquisition of tangible capital assets	(9,501,316)	(6,439,970)	(7,149,235)
Amortization of tangible capital assets	2,181,000	2,106,946	2,118,900
Loss from sale/write down of tangible capital assets	-	94,291	7,608
Proceeds on sale of tangible capital assets	-	2,609,819	-
	(1,955,886)	2,296,159	(2,824,638)
Acquisition of supply inventory		(583,891)	(223,269)
Acquisition of prepaid expense		(190,091)	(148,086)
Deposit made on property purchase		204,103	(204,103)
Consumption of supply inventory		251,711	221,194
Use of prepaid expense		150,576	126,142
		(167,592)	(228,122)
<b>Increase (decrease) in net financial assets</b>	(1,955,886)	2,128,567	(3,052,760)
<b>Net financial assets at beginning of year</b>	3,597,027	3,597,027	6,649,787
<b>Net financial assets at end of year</b>	\$ 1,641,141	\$ 5,725,594	\$ 3,597,027

*The accompanying notes and schedules are an integral part of these financial statements.*

**Town of Creston**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**for the year ended December 31, 2022**

(Indirect method)	2022	2021
<b>Operating transactions:</b>		
Annual surplus	\$ 3,925,073	\$ 2,198,089
Non-cash and non-financial items:		
Amortization	2,106,946	2,118,900
Increase in prepaid expenses	(39,515)	(21,944)
Decrease (increase) in Property Purchase Deposit	204,103	(204,103)
Increase in supply inventory	(332,181)	(2,075)
Loss from sale/write down of tangible capital assets	94,291	7,608
Changes to financial assets/liabilities:		
(Increase) decrease in accounts receivable	(106,465)	200,720
Increase in MFA cash deposits	(45,031)	(75,746)
Decrease in loan receivable	54,460	10,195
(Decrease) increase in accounts payable	(952,370)	888,713
Increase in deferred revenue	352,542	381,587
(Decrease) increase in development cost charges	(130,404)	31,043
Increase in other restricted revenue	45,031	75,746
Cash provided by operating transactions	5,176,480	5,608,733
<b>Capital transactions:</b>		
Acquisition of tangible capital assets	(6,439,970)	(7,149,235)
Proceeds from the sale of tangible capital assets	2,609,819	-
Cash applied to capital transactions	(3,830,151)	(7,149,235)
<b>Financing transactions:</b>		
Debt repayment	(2,331,949)	(259,286)
Proceeds of MFA Loan for Creston Emergency Services Building	1,500,000	3,000,000
Actuarial Adjustments	(141,062)	(127,314)
Cash applied to financing transactions	(973,011)	2,613,400
<b>Increase in cash and investments</b>	<b>373,318</b>	<b>1,072,898</b>
<b>Cash and investments at beginning of year</b>	<b>11,900,433</b>	<b>10,827,535</b>
<b>Cash and investments at end of year</b>	<b>\$ 12,273,751</b>	<b>\$ 11,900,433</b>
<b>Represented by</b>		
Bank deposits and petty cash	998,967	(1,200,499)
Investments	11,274,784	13,100,932
	<b>\$ 12,273,751</b>	<b>\$ 11,900,433</b>

## **General**

The Town of Creston (the "Town") was incorporated in 1924, under the Local Government Act of British Columbia. The Town's principal activities include the provision of local government services to residents of the incorporated area. These include administrative, protective, transportation, health and welfare, water, sewer and parks.

### **1. Significant Accounting Policies**

#### **a. Basis of Presentation**

The Consolidated Financial Statements of the Town of Creston (the Town), which are the representation of management, are prepared in accordance with Canadian Public Sector Accounting Standards as prescribed by the Public Sector Accounting Board (PSAB). The Consolidated Financial Statements reflect the combined results and activities of the reporting entity which is comprised of the Operating, Capital and Reserve funds controlled or owned by the Town. Inter-fund transactions have been eliminated on consolidation.

- i. Operating Funds: These funds include the General, Water and Sewer operations of the Town. They are used to record the operating costs of the services provided by the Town.
- ii. Capital Funds: These funds include the General, Water and Sewer Capital Funds. They are used to record the acquisition and disposal of property and equipment and their related financing.
- iii. Reserve Funds: Under the Community Charter, Town Council may, by bylaw, establish statutory reserve funds for specified purposes. Money in a reserve fund, and interest earned thereon, must be expended by bylaw only for the purpose for which the fund was established. If the amount in a reserve fund is greater than required, Town Council may, by bylaw, transfer all or part of the balance to another reserve fund. Reserves created as non-statutory segregations of surplus do not have the same formal restrictions as those created by bylaw.
- iv. Trust Funds: These funds account for assets which must be administered as directed by agreement or statute for certain beneficiaries. In accordance with PSAB recommendations on financial statement presentation for local governments, trust funds are not included in the Town's consolidated financial statements. Trust funds administered by the Town are presented in Note 10.

#### **b. Revenue Recognition**

Sources of revenue are recorded on the accrual basis and include revenue in the period in which the transactions or events occurred that give rise to the revenues, and expenses in the period the goods and services are acquired and a liability is incurred or transfers are due. Taxation revenues are recognized at the time of issuing the property tax notices for the fiscal year. Sale of services and user fee revenues are recognized when the service or product is rendered by the Town. Grant revenues are recognized when all eligibility criteria has been met. Unconditional government transfers are recognized upon receipt. Revenue unearned in the current period is recorded as deferred revenue.

#### **c. Investments**

Investments are carried at market value. Accrued interest and any accrued gains and losses are recognized when investments are adjusted to reflect market value.

#### **d. Use of Estimates**

The preparation of financial instruments in accordance with PSAB, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Significant areas requiring estimates include the useful lives of tangible capital assets for amortization, provision for contingencies, inventory valuation and obsolescence, impairment of long-lived assets, accrued liabilities, fair value of investments, pension plans, and deferred revenue. Actual results could differ from management's best estimates as additional information becomes available in the future.

**1. Significant Accounting Policies (continued):**

**e. Cash and Equivalents**

Cash and Equivalents include cash on hand, bank balances, and Municipal Finance Authority (MFA) pooled investment funds and guaranteed investment certificates.

**f. Tangible Capital Assets**

Tangible capital assets, comprised of capital assets and capital work-in-progress, are recorded at cost less accumulated amortization and are classified according to their functional use. Amortization is recorded on a straight-line basis over the estimated useful life of the asset commencing the year after the asset is put in to service. Donated tangible capital assets are reported at fair value at the time of donation. Estimated useful lives as follows:

Asset Type	Useful Life
Parks Infrastructure	15-50
Building Structure	20-50
Building Improvements	10-40
IT Equipment/Furniture	3-10
Equipment/Vehicles	7-25
Capital Lease Assets	35
Infrastructure (dependent upon component and material)	
Transportation	10-100
Water Infrastructure	10-100
Sewer Infrastructure	10-100
Drainage Infrastructure	10-100

**g. Budget Figures**

The budget figures are from the Annual Five-Year Financial Plan Bylaw adopted before May 15 of each year.

**h. Inventories**

The inventories are stated at the lesser of cost and net realizable value. Cost is generally determined on a first-in first-out basis. Obsolete items are written off.

**i. Post Employment Benefits**

Vacation and sick pay are charged in the year incurred. Sick time is non-accumulative and vacation has limited accumulation based on language in the collective agreement for CUPE employees or by administrative policy for staff. Employment contracts of certain non-union employees obligate the Town to the payment of severance and benefit amounts on termination under certain conditions.

**j. Reserve for Future Expenditures**

The reserve for future expenditures represents amounts set aside for future operating expenditures.

**k. Statutory Reserve Funds**

The use of these funds is restricted by the Community Charter and associated Municipal Bylaws. Statutory reserve funds are funded 100% by cash and temporary investments.

**l. Financial Instruments**

The Town carries several financial instruments. Unless otherwise noted, it is management's opinion that the Town is not exposed to significant currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

**Town of Creston**  
**Notes to the Consolidated Financial Statements**  
**for the year ended December 31, 2022**

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**1. Significant Accounting Policies (continued):**

**m. Government Transfers**

Government transfers are recognized as revenue in the period that the transfer is authorized, eligibility criteria, if any, have been met, and a reasonable estimate of the amount to be received can be made.

**n. Contributed Tangible Capital Assets**

Contributed tangible capital assets have been recognized at fair market value at the date of contribution. Developer asset contributions consist of infrastructure built by the developer as required to service newly developed lands. Upon acceptance by the Town, all risks and rewards of ownership for those assets are passed on to the Town.

**o. Segment Disclosure**

A segment is defined as a distinguishable activity or group of activities of government for which it is appropriate to separately report financial information. The Town has provided definitions of segments used for the presentation of financial information in segmented format (Note 20). Schedule 3 provides a table of the segmented revenue and expenses for the Town.

**p. Contaminated Sites**

Under PS3260 governments are required to accrue a liability for the costs to remediate a contaminated site. Liabilities are recognized when an environmental standard exists, contamination exceeds the standard, the government has responsibility for remediation, future economic benefits will be given up and a reasonable estimate can be made.

Management has assessed its potential liabilities under the standard including sites that are no longer in productive use and sites which the Town accepts responsibility. There were no such sites that had contamination in excess of an environmental standard which required remediation at this time, therefore no liability at December 31, 2022.

**q. Deferred Revenue**

Deferred revenue represents funds received for specific purposes which are externally restricted by legislation, regulation, or agreement and are not available for general municipal purposes as well as licences, permits, other fees and grants which have been collected, but for which the related services have not been performed and or projects have not been constructed. These amounts will be recognized as revenues in the fiscal year in which it is used for the specific purpose, the services are performed and or the projects are constructed.

**2. Cash and Equivalents**

	2022	2021
Restricted cash and investments		
Statutory Reserves (Schedule 2)	\$ 207,576	\$ 176,289
Restricted Revenues (Notes 8 and 9)	698,649	946,021
	<u>906,225</u>	<u>1,122,310</u>
Unrestricted cash and investments	11,367,526	10,778,123
<b>Total cash and investments</b>	<b><u>\$ 12,273,751</u></b>	<b><u>\$ 11,900,433</u></b>



**Town of Creston**  
**Notes to the Consolidated Financial Statements**  
**for the year ended December 31, 2022**

**3. Accounts Receivable**

	2022		2021
Property Taxes	\$ 438,114	\$	301,225
Other Governments	328,853		423,165
Trade and other	182,862		118,974
<b>Total accounts receivable</b>	<b>\$ 949,829</b>	<b>\$</b>	<b>843,364</b>

**4. Deposit and Reserve - Municipal Finance Authority**

The Municipal Finance Authority of British Columbia (the Authority) provides capital financing for regional districts and their member municipalities. The Authority is required to establish a Debt Reserve Fund. The Authority must then use this fund if at any time there are insufficient funds to meet payments on its obligations. If this occurs the regional districts may be called upon to restore the fund.

Each regional district, through its member municipalities who share in the proceeds of a debt issue, is required to pay into the Debt Reserve Fund certain amounts set out in the financing agreements. The interest earned on the Debt Reserve Fund, less administrative expenses, becomes an obligation of the Authority to the regional districts.

Upon the maturity of a debt issue, the unused portion of the Debt Reserve Fund established for that issue will be discharged to the Municipality. The proceeds from these discharges will be credited to income in the year they are received. As at December 31, the total of the Debt reserve fund was comprised of:

	2022		2021
Cash deposits	\$ 128,434	\$	110,686
Demand notes	258,075		230,792
	<b>\$ 386,509</b>	<b>\$</b>	<b>341,478</b>

**5. Loans Receivable**

Effective November 2022, The Town signed a 30 year agreement with British Columbia Emergency Health Services (BCEHS) to provide a home for the BCEHS ambulance service for the Creston Valley. The agreement requires the BCEHS to pay \$1,964,228 over a 20 year loan amortization with interest at prime set every 3 years. The rate for the first 3 years is 5.95%. In addition to the capital payments, the BCEHS will contribute annually to its' share of operating costs. If the lease is terminated early, BCEHS will pay back any remaining loan balance at the time of termination.

Since 2008, the Creston Valley Regional Airport Society (CVRAS) has operated the Town owned airport on behalf of the Town. In 2010, Town of Creston loaned \$25,001 to the CVRAS in order to help with working capital requirements for the on-going fuel sales which the CVRAS assumed. The loan is without interest, secured either by fuel receipts or fuel inventory, and is repayable upon the end of the operating agreement and any renewals.

In 2017, The Town of Creston loaned the CVRAS \$107,000 towards the purchase of a caretaker's residence located at the airport. The loan is being repaid over 10 years with annual installments paid every November and bears an interest rate of 3%. The residence would become the property of the Town in the event that the CVRAS would discontinue operating. The balance at December 31, 2022 was \$57,475.

In 2007, general fund monies were used to payout the short term capital fund debt of \$2,000,000 obtained in relation to the 2005 Prepaid Capital Lease entered into with FortisBC Inc. (see Note 18) These funds were repaid to the general fund upon receipt of termination payment from FortisBC in 2022. The corresponding liability has been reported as long term debt in the capital fund in prior years.

	2022		2021
Creston Valley Airport Society	\$ 82,476	\$	92,980
BCEHS (2022), Fortis (2021)	1,956,044		2,000,000
	<b>\$ 2,038,520</b>	<b>\$</b>	<b>2,092,980</b>

**6. Accounts payable and accrued liabilities**

	2022		2021
Other governments	\$ 641,817	\$	638,529
Accrued wages and benefits	618,722		716,413
Trade and other	553,786		1,411,753
	<b>\$ 1,814,325</b>	<b>\$</b>	<b>2,766,695</b>

**Town of Creston**  
**Notes to the Consolidated Financial Statements**  
**for the year ended December 31, 2022**

**7. Deferred Revenue**

	2022		2021
Prepaid taxes	\$ 120,878	\$	139,922
Deposits	794,773		558,105
Federal gas tax (Note 8)	236,593		353,561
Other	514,381		262,495
	<u>\$ 1,666,625</u>	\$	<u>1,314,083</u>

**8. Federal Gas Tax**

Gas Tax funding is provided by the Government of Canada and use of the funding is restricted by the terms of a funding agreement between the local government and the Union of British Columbia Municipalities. Gas Tax funding may be used towards certain public transit, community energy, water, wastewater, solid waste and Town building projects, as specified in the funding agreements. This amount is reported in the Deferred Revenue line on the Statement of Financial Position.

	2022		2021
Federal Gas Tax Agreement Funds			
Opening balance of unspent funds	\$ 353,561	\$	547,031
Add: Amount received during the year	293,388		573,854
Interest earned	9,142		941
Less: Amount spent on eligible project costs	(419,498)		(768,265)
Closing balance of unspent funds	<u>\$ 236,593</u>	\$	<u>353,561</u>

**9. Development Cost Charges**

Development Cost Charges are restricted revenue liabilities representing funds received from developers and deposited into a separate reserve fund for capital expenses. In accordance with PSAB, the Town records these funds as restricted revenue which is then recognized as revenue when the related costs are incurred.

	Opening Balance	Receipts	Interest	Transfers Out	Closing Balance
Infrastructure DCC	\$ 438,166	\$ 10,885	\$ 13,005	\$ -	\$ 462,056
Parkland Reserve	154,294	-	4,580	(158,874)	-
	<u>\$ 592,460</u>	<u>\$ 10,885</u>	<u>\$ 17,585</u>	<u>\$ (158,874)</u>	<u>\$ 462,056</u>

Reserve by Bylaw	Roads	Water	Sanitary	Storm	Parks	Total
Duganville (BL 839)	\$ -	\$ 17,392	\$ 3,940	\$ 24,691	\$ -	\$ 46,023
Parks Reserve (BL 1264)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
McLaren (BL 1331)	\$ -	\$ 6,178	\$ -	\$ -	\$ -	\$ 6,178
Alice Siding (BL 1463)	\$ 564	\$ 177,227	\$ 55,212	\$ 44	\$ -	\$ 233,047
Alice Siding (BL 1712)	\$ 101,670	\$ 18,643	\$ 42,990	\$ -	\$ 13,505	\$ 176,808
Grand Total:	<u>\$ 102,234</u>	<u>\$ 219,440</u>	<u>\$ 102,142</u>	<u>\$ 24,735</u>	<u>\$ 13,505</u>	<u>\$ 462,056</u>

**10. Trust Funds**

The Town operates the cemetery and maintains a cemetery perpetual care fund in accordance with the Cremation, Interment and Funeral Services Act. The trust fund assets and liabilities are not included in the consolidated financial statements. At December 31, 2022, the balance of funds held in trust was \$246,698 (2021 - \$224,580).

**Town of Creston**  
**Notes to the Consolidated Financial Statements**  
**for the year ended December 31, 2022**

**11. Long-Term Debt**

Purpose	By-law	Remaining Term	Rate	2022	2021
<b>GENERAL FUND</b>					
<b>Debenture Debt</b>					
Prepaid Capital Lease	1769	2	4.93% ( a )	265,565	520,915
Emergency Services Building	1872	30	2.58% ( a )	2,928,902	3,000,000
Emergency Services Building	1872	30	3.36% ( a )	1,500,000	-
Prepaid Capital Lease - Inter-fund borrowing (Note 5)				-	2,000,000
				<u>4,694,467</u>	<u>5,520,915</u>
<b>SEWER FUND</b>					
<b>Debenture Debt</b>					
Water Pollution BVF Cover	1734	5	3.65%	194,637	239,089
WWTP Upgrade	1707	7	3.15% ( a )	704,396	806,508
				<u>899,033</u>	<u>1,045,597</u>
				<b>\$ 5,593,500</b>	<b>\$ 6,566,512</b>

( a ) Interest repaid on a straight line basis

The following principal amounts are payable over the next five years:

Future minimum principal payments and actuarial additions of existing debt are due as follows:

	General Fund	Sewer Fund	Total
2023	247,052	120,687	367,739
2024	105,264	122,368	227,632
2025	105,264	124,111	229,375
2026	105,264	125,918	231,182
2027	105,264	74,612	179,876
2028 and subsequent	2,560,514	74,612	2,635,126
	3,228,622	642,308	3,870,930
Actuarial addition *	1,465,845	256,725	1,722,570
	<u>\$ 4,694,467</u>	<u>\$ 899,033</u>	<u>\$ 5,593,500</u>

\* Actuarial Adjustments represent interest earned on sinking funds held by the Municipal Finance Authority. Such interest is used to reduce the principal amount of outstanding debt.

**12. Tangible Capital Assets**

	2022 Net Book Value	2021 Net Book Value
Land	\$ 3,471,390	\$ 3,265,249
Building	11,749,750	2,184,828
Machinery and Equipment	1,699,037	1,669,033
Engineering structures		
Water	8,124,827	8,222,660
Sewer	13,638,447	13,974,754
Drainage	2,308,272	2,303,258
Roads	6,683,860	6,868,410
Other	1,640,186	1,544,337
Other Tangible Capital Assets	-	2,831,632
WIP	1,214,150	6,036,845
<b>Total</b>	<b>\$ 50,529,919</b>	<b>\$ 48,901,006</b>

For additional information, see the Consolidated Schedule of Tangible Capital Assets (Schedule 1)

**13. Equity in Tangible Capital Assets**

Equity in tangible capital assets (TCA) represents the net book value (NBV) of total capital assets less long term obligations assumed to acquire those assets. The change in consolidated equity in tangible capital assets is as follows:

	2022	2021
Proof:		
Equity in Physical Assets, opening	\$ 42,334,502	\$ 39,925,174
Add:		
Capital Acquisitions	6,439,970	7,149,235
Debt principal repayment	2,331,949	259,286
Actuarial Adjustments	141,062	127,315
Less:		
Net Proceeds from the issue of debt	(1,500,000)	(3,000,000)
Proceeds of Disposition	(2,609,819)	-
Loss on Disposals	(94,291)	(7,608)
Amortization	(2,106,946)	(2,118,900)
	<b>\$ 44,936,427</b>	<b>\$ 42,334,502</b>

**Town of Creston**  
**Notes to the Consolidated Financial Statements**  
**for the year ended December 31, 2022**

**14. Net Taxation**

	2022	2021
General Municipal purposes	\$ 5,037,709	\$ 4,785,903
Collections for other governments		
Provincial Education	1,936,205	1,835,589
Regional Hospital District - East Kootenay	414,067	307,081
Municipal Finance Authority	239	193
BC Assessment Authority	45,726	42,810
Regional District of Central Kootenay	2,883,985	2,786,691
	<u>10,317,931</u>	<u>9,758,267</u>
Transfers to other governments		
Provincial Education	1,936,205	1,835,589
Regional Hospital District - East Kootenay	414,067	307,081
Municipal Finance Authority	239	193
BC Assessment Authority	45,726	42,810
Regional District of Central Kootenay	2,883,985	2,786,690
	<u>5,280,222</u>	<u>4,972,363</u>
Net Municipal Taxes	5,037,709	4,785,904
Water and Sewer Funds - Frontage Taxes	822,457	819,149
	<u>\$ 5,860,166</u>	<u>\$ 5,605,053</u>

**15. Sale of Services, User Rates, Rentals**

	2022	2021
Sale of cemetery plots and burial charges	\$ 58,424	\$ 77,276
Regional District - cemetery	88,132	87,259
- fire protection and rescue	756,735	560,223
Provincial - fire suppression and rescue	64,545	108,250
Fines	44,037	46,368
Licences and permits	190,516	158,944
Rents	608,012	617,130
Solid Waste Collection and Disposal Fees	383,940	281,738
Concessions and franchises	71,142	65,510
Total	<u>\$ 2,265,483</u>	<u>\$ 2,002,698</u>

**16. Expenditure by Object**

	2022	2021
Goods and Services	\$ 5,235,018	\$ 4,589,042
Interest and Finance Charges	395,583	306,098
Salaries, wages and benefits	4,568,715	4,293,025
Amortization	2,106,946	2,118,900
Other	265,219	120,963
	<u>\$ 12,571,481</u>	<u>\$ 11,428,028</u>

**17. Government Transfers**

		2022		2021
Federal:	Conditional transfers	\$ 690,676	\$	1,202,794
	Unconditional transfers	-		-
Provincial:	Conditional transfers	2,254,022		18,750
	Unconditional transfers	724,000		574,000
Total		<u>\$ 3,668,698</u>	\$	<u>1,795,544</u>

**18. Lease-in; Lease-out (LILO)**

In 2005 the Town entered into a 35 year capital lease with FortisBC Inc. (formerly Terasen Gas Inc.) for the natural gas distribution system within the municipal boundary. The value of the Town's rights in the lease has been set at \$5,500,000 of which 95% or \$5,225,000 has been prepaid to FortisBC. \$3,360,000 of the funds required for this prepayment together with transaction costs (approximately \$135,000) have been borrowed from the Municipal Finance Authority (MFA). Surplus Town funds that were on deposit with MFA have been used to fund the remaining \$2,000,000. Subsequent to establishing this capital lease the Town has leased back the operation of the system to FortisBC under a 17 year operating lease through which the risks inherent in such an operation have been transferred back to FortisBC. The terms of the operating lease required FortisBC to make annual payments which were be used by the Town to pay down the MFA debt and fund new capital projects. In 2022, FortisBC exercised it's option to terminate the capital lease and refund the remaining portion of the prepaid amount. The Town used the refund to pay down the remaining debt. Over the life of the agreement, the Town realized income of \$2,140,000 which helped fund many different capital projects with the downtown revitalization project and the Creston Emergency Services Building being the two largest over the years.

**19. Commitments and Contingencies**

- a. The municipality and its employees contribute to the Municipal Pension Plan (Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2022, the plan has about 227,000 active members and approximately 118,000 retired members. Active members include approximately 42,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3.761 billion funding surplus for basic pension benefits on a going concern basis.

In 2022, the Town paid \$266,672 (2021 - \$281,065) in employer contributions to the plan.

The next valuation will be at December 31, 2024 with results available in 2025.

Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

- b. The Town is responsible, as a member of the Regional District Central Kootenay, for its portion of any operating deficits or long-term debt related to functions in which it participates.

**19. Commitments and Contingencies (Continued)**

- c. The Town is a subscribed member of the Municipal Insurance Association of British Columbia (The "Exchange") as provided by section 3.02 of the Insurance Act of the Province of British Columbia. The main purpose of the Exchange is to pool the risks of liability so as to lessen the impact upon any subscriber. Under the Reciprocal Insurance Exchange Agreement, the Town is assessed a premium and specific deductible for its claims based on population. The obligation of the Town with respect to the Exchange and/or contracts and obligations entered into by the Exchange on behalf of its subscribers in connection with the Exchange are in every case several, not joint and several. The Town irrevocably and unconditionally undertakes and agrees to indemnify and save harmless the other subscribers against liability losses and costs which the other subscriber may suffer.
- d. The nature of the Town's activities is such that there is litigation pending or in progress at any time. With respect to unsettled claims at December 31, 2022, management is of the opinion that the Town has valid defences and appropriate insurance coverage in place, or if there is unfunded risk, such claims are not expected to have material effect on the Town's financial position. Outstanding contingencies are reviewed on an ongoing basis and are provided for based on management's best estimate of the ultimate settlement.

**20. Segmented Disclosure**

The Town of Creston has identified the General Government, Municipal Share of RCMP Costs, Protective Services, Transportation Services, Sanitation and Waste Removal, Cemetery Services, Community Planning, Recreation, Water Utility and Sewer Collection and Treatment as distinguishable activities of the municipality for which it is appropriate to separately report financial information.

The nature of the activities of these identified segments are as follows:

The General Government function provides for the on-going daily operations for the municipality

The Municipal Share of RCMP Costs - function are the activities associated with the cost of having the RCMP detachment in Creston including the officers, administrative and victim services staff, jailing costs as well as building costs.

The Protective Services function includes fire department, building inspection, animal control and bylaw compliance and enforcement services.

The Health and Welfare function is divided into two distinct services, Sanitation and Waste Removal and Cemetery Services.

Recreation and Community Services are divided into two distinct services, the Community Planning function administer all land development applications as zoning and Official Community Plan management, and the Recreation Services function takes care of the parks and trails in Creston.

The Water Utility function is a self funded service which is responsible for the procurement and delivery of drinking water throughout the municipality.

The Sewer Utility function is a self fund services which is responsible for the collection and treatment of wastewater for residences, commercial and industry.

The financial activities of these segments are reported in the following Schedule of Consolidated Operations by Segment (Schedule 3).



**Town of Creston**  
**Notes to the Consolidated Financial Statements**  
**for the year ended December 31, 2022**

**21. Accumulated Surplus**

	2022	2021
Unappropriated Surplus/(Deficit)		
General Fund	\$ 1,444,094	\$ 1,685,669
Water Fund	2,737,343	2,296,525
Sewer Fund	2,106,431	1,794,036
Capital Surplus	1,086,996	1,086,996
	<u>7,374,864</u>	<u>6,863,226</u>
Less: Amount to be funded in future years (Internal debt)	-	(2,000,000)
Less: Non-financial component (prepaids & inventory)	(830,026)	(458,330)
Amount available to finance operations	<u>6,544,838</u>	<u>4,404,896</u>
 Non-Statutory Reserves		
Operating Reserves	605,005	362,417
LILO	-	68,227
Operating Capital Replacement Reserves	3,961,666	3,355,805
	<u>4,566,671</u>	<u>3,786,449</u>
 Statutory Reserves		
Parking reserve	34,964	33,956
Water district reserve	172,612	142,333
	<u>207,576</u>	<u>176,289</u>
 Subtotal	<u>11,319,085</u>	<u>8,367,634</u>
 Equity in Tangible Capital Assets	<u>44,936,427</u>	<u>42,334,502</u>
 Add back unappropriated surplus amounts not available to finance operations	830,026	2,458,330
	<u>\$ 57,085,538</u>	<u>\$ 53,160,466</u>

The Unappropriated Surplus is the amount of Accumulated Surplus remaining after deducting the other appropriated surplus balances (see below). It is available to temporarily finance operations until planned revenues (i.e. property taxes, grants etc.) are received, or for other operating or capital purposes as determined by Council, to the extent that it is available as cash. In 2005 year, the Town used \$2.0M to finance the acquisition of LILO Assets (Notes 5 & 18), this amount was repaid by payments from FortisBC LILO revenues in 2022.

The Non-Statutory and Statutory Reserves are Accumulated Surplus that have been set-aside by decision of Council for a specified purpose. The Statutory Reserves have been established by bylaw in accordance with the *Community Charter* and their use is restricted by the related bylaw and legislation. In the normal course of operations, these funds will be used to finance the future services or capital works for which they have been appropriated.

Equity in Tangible Capital Assets is equal to the book value of the tangible capital assets less related long-term debt. In the normal course of operations the tangible capital assets will not be available to finance operations, but will be consumed/used to provide services, and the debt will be repaid by future period revenues.

## **22. COVID-19**

Thankfully COVID-19's impact is waning, but it still continued to have an impact on the Town's operations in 2022. Over the course of the pandemic, the way of life has been significantly impacted for all residents of Creston. In turn, the Town has had to alter the way it operates in order to be able to continue to provide the many essential services in the community during the pandemic. The Town has experienced revenue losses, some new operating expenses and increased costs for capital projects, those have been offset by Covid-19 Safe Restart Grant received from the Federal and Provincial Governments in 2020. Please see Schedule 4 for the statement of the grant utilization. The most significant impact experienced by the Town was increased cost of construction of the Creston Emergency Services Building, a significant amount of the overage has been offset by the Covid-19 Safe Restart Grant. The Town of Creston is endeavoured to keep operations functioning in a safe sustainable manner throughout this challenging time for all.

## **23. Future Accounting Changes**

### PS 3280 - Asset Retirement Obligations.

This section establishes standards on how to account for and report a liability for asset retirement obligations, which are legal obligations associated with the retirement of a tangible capital asset. The new standard must be implemented for the year ended December 31, 2023. The transition method used will be the prospective approach. To apply the prospective approach the Town will apply PS 3280 as of the year of adoption without considering previous years.

### PS 3450 - Financial Instruments

This section establishes standards for recognizing and measuring all types of financial instruments. Financial instruments include primary instruments, such as receivables, payables, and equity instruments, as well as derivatives such as financial options, futures and forwards, interest rate swaps, and currency swaps. This section must be applied by the Town for the year ended December 31, 2023. Since the Town does not deal with derivatives, swap arrangements, or other exotic financial transactions, the implementation will have little effect on the financial statement presentation.

Schedule 1

**Town of Creston**  
 Consolidated Schedule of Tangible Capital Assets  
 Year Ended December 31, 2022

	Land	Buildings	Equipment/ Furniture/ Vehicles	Engineering Structures		Sewer	Drainage	Streets	Other	Other Tangible Capital Assets		2021 Total
				Water	Structures					WIP	Total	
Historical Cost:												
Opening Balance	\$ 3,265,249	\$ 3,988,811	\$ 5,324,549	\$ 12,879,076	\$ 25,892,128	\$ 5,039,721	\$ 19,420,708	\$ 4,604,923	\$ 5,357,153	\$ 6,036,845	\$ 91,809,163	\$ 84,954,086
Additions	206,142	9,680,929	347,614	150,563	197,759	71,165	377,292	231,201	-	(4,822,695)	6,439,970	7,149,235
Disposals	-	-	-	(7,669)	(12,500)	(9,631)	(8,524)	-	(5,357,153)	-	(5,395,477)	(294,157)
Closing Balance, Dec. 31	3,471,390	13,669,740	5,672,163	13,021,970	26,077,387	5,101,256	19,789,477	4,836,123	-	1,214,150	92,853,656	91,809,164
Accumulated Amortization:												
Opening Balance	-	1,803,983	3,655,516	4,656,416	11,917,374	2,736,463	12,552,298	3,060,586	2,525,521	42,908,157	41,075,806	41,075,806
Amortization Expense	116,007	1,160,007	317,610	247,629	522,048	66,152	561,843	135,351	140,306	2,106,946	2,118,900	2,118,900
Effects of Disposals	-	-	-	(6,902)	(482)	(9,631)	(8,524)	-	(2,665,827)	(2,688,242)	(2,688,242)	(286,549)
Closing Balance, Dec. 31	-	1,919,990	3,973,126	4,897,143	12,438,940	2,792,984	13,105,617	3,195,937	-	42,323,737	42,908,157	42,908,157
Net book value for year ended December 31, 2022	\$ 3,471,390	\$ 11,749,750	\$ 1,699,037	\$ 8,124,827	\$ 13,638,447	\$ 2,308,272	\$ 6,683,860	\$ 1,640,186	\$ -	\$ 1,214,150	\$ 50,529,919	\$ 48,901,007

	Balances, Beginning of Year	Contributions From Operations	Withdrawals for Capital Purposes	Withdrawals for Operating Purposes	Interest Earnings	Balances, End of Year
<b>OPERATING FUND SURPLUS</b>						
<b>SURPLUS</b>						
General Fund Surplus	\$ 1,515,727			\$ (162,157)	\$ -	\$ 1,353,570
COVID 19 Safe Start Grant Surplus	169,942	-	-	(79,418)	-	90,524
Water Fund Surplus	2,296,525	591,381	(150,563)	-	-	2,737,343
Sewer Fund Surplus	1,794,036	424,067	(111,672)	-	-	2,106,431
	<u>5,776,230</u>	<u>1,015,448</u>	<u>(262,235)</u>	<u>(241,575)</u>	<u>-</u>	<u>6,287,868</u>
<b>NON STATUTORY RESERVES</b>						
LILO Reserve	68,227	9,595	(77,822)	-	-	-
Police Operating Reserve	-	101,773	-	-	-	101,773
Health Promotion & EDC Reserve	129,481	-	-	(542)	-	128,939
Green Initiatives Reserve	135,223	86,082	-	(5,551)	-	215,754
Engineering Reserve	67,259	9,837	-	-	-	77,096
Bin Replacement Reserve	-	24,205	-	-	-	24,205
Cemetery Operating Reserve	30,454	26,784	-	-	-	57,238
	<u>430,644</u>	<u>258,276</u>	<u>(77,822)</u>	<u>(6,093)</u>	<u>-</u>	<u>605,005</u>
<b>CAPITAL REPLACEMENT RESERVES</b>						
Public works equipment reserve	295,873	184,000	(253,696)	-	-	226,177
Fire equipment replacement reserve	384,215	118,377	-	-	-	502,592
Infrastructure Reserve	755,717	285,578	(25,382)	-	-	1,015,913
Wastewater treatment plant reserve	1,920,000	240,000	-	-	56,985	2,216,985
	<u>3,355,805</u>	<u>827,955</u>	<u>(279,078)</u>	<u>-</u>	<u>56,985</u>	<u>3,961,667</u>
<b>TOTAL OPERATING FUND SURPLUS</b>	<u>9,562,679</u>	<u>2,101,679</u>	<u>(619,135)</u>	<u>(247,668)</u>	<u>56,985</u>	<u>10,854,540</u>
<b>CAPITAL FUND SURPLUS</b>						
General Capital Fund Surplus	190,536	-	-	-	-	190,536
Water Capital Fund Surplus	321,995	-	-	-	-	321,995
Sewer Capital Fund Surplus	574,465	-	-	-	-	574,465
	<u>1,086,996</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,086,996</u>
<b>STATUTORY RESERVES</b>						
Parking reserve	33,956	-	-	-	1,008	34,964
Water district reserve	142,333	26,054	-	-	4,225	172,612
	<u>176,289</u>	<u>26,054</u>	<u>-</u>	<u>-</u>	<u>5,233</u>	<u>207,576</u>
<b>TOTAL SURPLUS AND RESERVES</b>	<u>\$ 10,825,964</u>	<u>\$ 2,127,733</u>	<u>\$ (619,135)</u>	<u>\$ (247,668)</u>	<u>\$ 62,218</u>	<u>\$ 12,149,112</u>

Town of Creston  
 Schedule of Consolidated Operations by Segment  
 Year Ended December 31, 2022

Revenue	General Government	Municipal Share of RCMP Costs	Health & Welfare					Recreation and Community Services			Water Utility	Sewer Utility	Unallocated	2022 Total	2021 Total
			Protection Services	Transportation	Sanitation and Waste Removal	Cemetery Services	Community Planning	Recreation	Community Services						
Taxation	\$ -	\$ 1,102,306	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 390,145	\$ 432,313	\$ 3,943,524	\$ 5,868,288	\$ 5,614,796	
Sale of services and rents	559,572	84,751	887,086	4,500	383,427	146,556	513	127,936	513	-	-	71,142	2,265,483	2,002,698	
Government transfers	146,204	-	2,103,915	332,223	97,849	-	264,507	-	-	-	-	724,000	3,668,698	1,795,544	
Investment income	(3,852)	-	-	-	-	-	-	-	-	68,162	114,453	323,524	502,287	279,501	
Utility user fees and connection charges	-	-	-	-	-	-	-	-	-	1,386,173	1,750,537	-	3,136,710	3,346,724	
Development Cost Charge Revenue	-	-	-	-	-	-	-	-	-	-	-	-	158,874	-	
Other	245,238	30,145	53,399	32,102	45,150	-	15,200	411,854	158,874	-	-	63,125	896,213	586,854	
	947,162	1,217,202	3,044,400	368,825	526,426	146,556	143,136	835,748	835,748	1,844,480	2,297,303	5,125,315	16,496,553	13,626,117	
<b>Expenses</b>															
Salaries and Wages	1,399,238	66,599	1,008,383	713,813	42,791	97,703	212,045	280,559	280,559	173,298	574,286	-	4,568,715	4,293,025	
Goods and Services	968,341	1,099,735	422,995	590,933	467,358	22,069	67,610	82,592	82,592	868,518	644,867	-	5,235,018	4,589,042	
Debt Financing	204,448	-	134,750	-	-	-	-	-	-	-	56,385	-	395,583	306,098	
Amortization	140,306	-	-	561,843	-	-	-	-	-	247,629	522,048	635,119	2,106,945	2,118,900	
Other	167,603	-	41,998	-	6,892	-	-	-	-	27,079	21,647	-	265,219	120,963	
	2,879,936	1,166,334	1,608,126	1,866,589	517,041	119,772	279,655	363,151	363,151	1,316,524	1,819,233	635,119	12,571,480	11,428,028	
<b>Total</b>	<b>\$ (1,932,774)</b>	<b>\$ 50,868</b>	<b>\$ 1,436,274</b>	<b>\$ (1,497,764)</b>	<b>\$ 9,385</b>	<b>\$ 26,784</b>	<b>\$ (136,519)</b>	<b>\$ 472,597</b>	<b>\$ 472,597</b>	<b>\$ 527,956</b>	<b>\$ 478,070</b>	<b>\$ 4,490,196</b>	<b>\$ 3,925,073</b>	<b>\$ 2,198,089</b>	

Town of Creston  
 Schedule of Provincial COVID 19 Safe Restart Grant Utilization  
 Year Ended December 31, 2022

**SCHEDULE 4**

	2022	2021
Beginning Balance	\$ 169,942	\$ 1,480,751
COVID 19 Safe Restart Grant Revenue	-	-
Operating Costs		
Supplies	1,851	4,189
Extra Cleaning Labour	41,307	102,833
Communications	6,745	66,699
Equipment Rentals & Costs	60	18,203
Fire Department Costs	-	1,685
Sick Pay	29,455	7,200
Total	<u>79,418</u>	<u>200,809</u>
Capital Costs		
Contribution towards Excess Emergency Services Building Costs	-	1,110,000
Remaining Grant Funds (included in General Fund Surplus)	<u>\$ 90,524</u>	<u>\$ 169,942</u>

# The Town of Creston

## SCHEDULE SHOWING REMUNERATION AND EXPENSES PAID FOR 2022

1. 6 (2) (a) Elected Officials

NAME	POSITION	REMUNERATION	EXPENSES
Ares, Monique	Councillor	2,136	200
Baldwin, Keith	Councillor	18,161	9,029
Comer, Jenn	Councillor	14,825	1,297
DeBoon, Arnold	Mayor/Councillor	19,815	4,504
Dumas, Denise	Councillor	2,136	178
Eisler, Norman	Councillor	16,665	1,310
Elford, Jim	Councillor	16,961	2,166
Mondia, Anthony	Councillor	2,136	156
Toyota, Ron	Mayor	29,750	6,596
Wilson, Joanna	Councillor	14,325	833
<b>Total Elected Officials</b>		<b>\$ 136,910</b>	<b>\$ 26,270</b>

2. 6 (2) (b) Employees Exceeding \$75,000

NAME	POSITION	REMUNERATION	EXPENSES
Beddoes, Ross	Director of Municipal Services, Approving Officer, Chief Building Official (retired)	\$ 88,983	\$ -
Bergman, Robert A.	Carpenter	77,905	69
Comer, Joel	Manager of Community Planning & Development	88,042	4,491
Dodman, Laura	Assistant Fire Chief	76,174	5,605
Dunbar, Kirsten	Corporate Officer	82,153	3,823
Farynowski, Colin	Manger of Engineering	133,691	694
Fuller, C. Terrence	Mechanic	83,896	99
Grant, Tyler	Operator 2	75,731	0
Johnston, L. Trent	Utilities Chargehand	82,880	402
Klassen, Steffan	Director of Finance & Corporate Services	139,797	4,898
Mendoza, Hilario	Utilities - Operator	82,423	99
Messinger, Ron	Pipe Fitter	75,391	230
Moore, Michael	Chief Administrative Officer	169,281	9,629
Neufeld, Marsha	Executive Assistant	83,563	6,115
Riel, Jared	Fire Chief	92,636	6,196
Schmidt, Ferdinand	Director of Infrastructure Services	121,626	2,722
Schultz, Jerry H.	Operator 3	79,675	99
Todaro, Toby	Utilities - Chief Operator	110,427	795
Valer, Brent	Chief Mechanic	91,616	0
Vigne, Brandon	Manager of Building Services and Bylaw Services	77,180	4,698
Jeff Webb	Waste Water Treatment Plan Operator	82,040	446
Ziefflie, Brad	Public Works Superintendent	97,311	1,134
		<b>\$ 2,092,421</b>	<b>\$ 52,243</b>

6 (2) (c) Employees Remuneration

\$75,000 or less	1,722,506	89,704
<b>Total Employees</b>	<b>\$ 3,814,927</b>	<b>\$ 141,946</b>

3. Reconciliation

	REMUNERATION
Total Elected Officials	\$ 136,910
Total Employees	3,814,927
Subtotal	3,951,837
<b>Total</b>	<b>Included in Statement of Revenue and Expenditure \$ 3,951,837</b>



## Town of Creston – Statement of Financial Information

### SCHEDULE SHOWING PAYMENTS MADE FOR THE PROVISION OF GOODS OR SERVICES

**1. Alphabetical list of suppliers who received aggregate payments exceeding \$25,000**

Supplier name	Aggregate amount paid to supplier
As per attached list	\$ 19,832,140
Deduct grants below	\$ 0
C	\$
<b>Total aggregate amount paid to suppliers</b>	<b>\$ 19,832,140</b>

**2. Consolidated total paid to suppliers who received aggregate payments of \$25,000 or less**

	\$ 1,789,049
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**3. Total of payments to suppliers for grants and contributions exceeding \$25,000**

Consolidated total of grants exceeding \$25,000	\$ 0
Consolidated total of contributions exceeding \$25,000	\$ 0
Consolidated total of all grants and contributions exceeding \$25,000	\$ 0

**4. Reconciliation**

Total of aggregate payments exceeding \$25,000 paid to suppliers	\$ <u>18,043,091</u>
Consolidated total of payments of \$25,000 or less paid to suppliers	\$ <u>1,789,049</u>
Consolidated total of all grants and contributions exceeding \$25,000	\$ <u>0</u>
Reconciling items*	\$( <u>7,260,660</u> )
Total per Statement of Revenue and Expenditure	\$ <u><b>12,571,480</b></u>

- \* The Town prepares the schedule of payments based on actual disbursements processed through its Accounts Payable system. This provides assurance on completeness as the reported amounts are reconciled to the financial system cheque register and electronic funds transfer records. The schedule of payments is a “cash basis” listing. This figure therefore will differ significantly from the expenditures in the consolidated financial statements which are reported on an accrual basis resulting in timing differences. Furthermore, there are disbursements which are not considered expenditures including payments made to other taxing jurisdictions, tangible capital asset additions, employee payroll deductions, debt principal repayments. Conversely there are expenditures which do not involve an actual disbursement (in addition to accruals) such as amortization.

**TOWN OF CRESTON  
YTD Paid Report**



AP5070

Page : 1

Date : May 10, 2023

Time : 3:03 pm

Supplier Code From : 00001  
To : STMP000022

Sequence : By Name Date Range From : 01-Jan-2022  
To : 31-Dec-2022

Categories From : 35 - Paper Products Supplier  
To : W - Subcontractors

Suppress Printing for \$ Under 25,000.00

Supplier Code	Name	Total
48015	0815500 BC LTD	72,198.00
00107	3-D CONCRETE	213,636.15
00951	AARDVARK PAVEMENT MARKING SERVICES	33,768.14
01086	ANDREW SHERET LIMITED	188,446.54
11758	ASSOCIATED ENGINEERING ALBERTA LTD	118,763.78
80912	ASSOCIATED FIRE SAFETY	63,014.75
03395	BALOGH MATT	41,698.43
04205	BAREFOOT PLANNING LTD.	27,053.60
03900	BC ASSESSMENT AUTHORITY	45,808.75
05001	BOUNDARY ELECTRIC	48,099.97
06350	CANADIAN UNION OF PUBLIC EMPLOYEES - LOCAL 2092	32,627.38
00104	CARVELLO LAW CORPORATION	43,235.66
06389	CENTRALSQUARE CANADA SOFTWARE INC	31,785.51
48999	CHANDOS CONSTRUCTION LTD.	5,024,764.82
06040	CIBC VISA (by EFT)	345,589.67
06600	COMFORT WELDING LTD.	119,130.53
07900	CRESTON FIRE FIGHTERS SOCIETY	34,355.72
16598	CRESTON HOME HARDWARE BUILDING CENTRE	30,845.81
07709	CRESTON VALLEY REGIONAL AIRPORT SOCIETY	153,194.35
08004	DHC COMMUNICATIONS INC	33,914.35
48007	ECOTAINER SALES INC	130,319.62
12701	FORTIS BC - Electricity	268,831.03
12702	FORTISBC - FINANCIAL ACCOUNTING	26,200.77
12705	FORTISBC - NATURAL GAS	142,684.21
16203	HARRIS & COMPANY LLP	37,994.97
18600	INSURANCE CORPORATION OF BRITISH COLUMBIA	35,436.00
19202	IRONTEK LAND DEVELOPMENTS LTD.	134,625.43
20397	JOHNSTON DAVIDSON ARCHITECTURE + PLANNING	67,932.52
46845	KLEYSER GROUP LTD	60,656.88
06494	LABATT BREWING COMPANY LIMITED	58,369.00
26252	MAYDAY ELECTRIC LTD.	115,711.61
15382	MOUNTAIN SPARKLE CLEANING INC	70,866.60
27880	MUNICIPAL INSURANCE ASSOCIATION OF BC	148,547.67
27905	MUNICIPAL PENSION PLAN	447,942.38
27909	MUNICIPAL PENSION PLAN - Group 5	59,687.61
28090	NAPA AUTO PARTS	34,639.50
50088	NOVA POLE INTERNATIONAL INC	55,406.40
32002	PACIFIC BLUE CROSS (by EFT)	219,009.80
32463	POWER PAVING	292,265.40
36298	RECEIVER GENERAL FOR CANADA - THE COMMISSIONER	1,038,183.74
36300	RECEIVER GENERAL FOR CANADA - FULL TIME	800,182.50
36301	RECEIVER GENERAL FOR CANADA - PART TIME	271,941.64
36500	REGIONAL DIST. CENTRAL KOOTENAY - DEBENTURES	655,984.91
36501	REGIONAL DIST. OF CENTRAL KOOTENAY - SUN	3,845,259.93
36506	REGIONAL DISTRICT OF EAST KOOTENAY	414,662.27
38407	SFJ Inc. (EFT)	162,934.81
49005	SHA-DAINE HOLDINGS LTD.	314,740.66
38901	SHOPAS EXCAVATING	135,865.60
39004	STATES MARILIN	48,491.98
39088	SULLIVAN STONE COMPANY LTD	41,873.96
48058	TIP-IT WASTE SOLUTIONS INC	371,357.79
41604	TRI-KON PRECAST PRODUCTS LTD	31,960.18

**TOWN OF CRESTON  
YTD Paid Report**



AP5070

Page : 2

Date : May 10, 2023

Time : 3:03 pm

**Supplier Code** From : 00001  
To : STMP000022

**Sequence :** By Name **Date Range From :** 01-Jan-2022  
**To :** 31-Dec-2022

**Categories** From : 35 - Paper Products Supplier  
To : W - Subcontractors

**Suppress Printing for \$ Under** 25,000.00

Supplier Code	Name	Total
04975	TURN-KEY CONTROLS LTD.	27,266.97
14876	ULINE (by VISA)	31,743.41
42152	UNIVERUS	30,443.84
44270	VIMAR EQUIPMENT LTD	276,692.23
46448	WATT CONSULTING GROUP	70,432.40
46504	WESTECH INDUSTRIAL LTD.	53,202.24
47646	WORKSAFE BC	81,687.19
46383	WSP CANADA INC	124,894.00
47643	XEROX CANADA LTD	36,417.25
47703	Z-KO CONSTRUCTION LTD.	67,813.15
<b>Total Suppliers Equal and Over</b>		<b>25,000.00</b>
<b>Other Suppliers Under</b>		<b>25,000.00</b>
<b>Total Of Printed Suppliers :</b>		<b>19,832,140.46</b>

2022  
Town of Creston – Statement of Financial Information

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***TOWN OF CRESTON***

**STATEMENT OF SEVERANCE AGREEMENTS**

There were no severance agreements made between the Town of Creston and its non-unionized employees during fiscal year 2022.

Prepared under the Financial Information Regulation, Schedule 1, subsection 6(8)

2022

Town of Creston – Statement of Financial Information

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**SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS**

The Town of Creston has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.